

What is the function of a commodity derivatives market?

- What is it worth?
- Risk management
- Investment opportunity



Which types of commodity markets exist?

Softs



Coffee



Cocoa



Sugar



Milling
Wheat



Rapeseed



Corn



Feed
Wheat

NYSE Liffe
CME
BMF
MATba
MGEX

Energy



Electricity



Oil



Natural Gas



Coal

ICE
CME/NYMEX
EEX
Nasdaq OMX
Warsaw SE

Metals



Aluminum



Copper



Zinc



Lead



Nickel



Tin



Aluminium
alloy

LME
CME/COMEX
SHME

What is the situation in the EU? Before MiFID II

Position Management by exchanges including limits at delivery

Scope

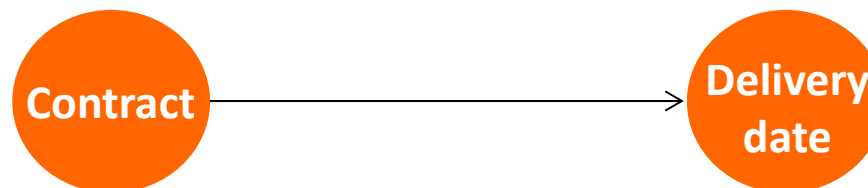
Softs

Energy

Metals

Characteristics

<p>What?</p> <ul style="list-style-type: none">• Obligation to sell position or ban on trader access to market	<p>When?</p> <ul style="list-style-type: none">• Usually around delivery, when squeezes can happen
<p>How?</p> <ul style="list-style-type: none">• Optional limits case by case• Looking at delivery and position of traders	



What is the situation in the EU? After MiFID II?

Position Limits or alternative systems (or position checks as proposed by EP) by exchanges or supervisors including limits at delivery.

Scope

Softs

Energy

Metals

Characteristics

What? <ul style="list-style-type: none">Limits on the amount of contracts or positions.	When? <ul style="list-style-type: none">Over specific period of time (EP)
How? <ul style="list-style-type: none">Reduce the size of or to eliminate the positionAdditional limits may be set by the trading venue	

Contract

Delivery date

What is the situation in the US?

Before Dodd-Frank

Position limits on

Softs

After Dodd-Frank

Position limits on

Softs

Energy

Metals



Legal challenge